

## **ERP Implementation**

### **Microsoft – SAP Implementation**

**Key Benefit – Company**  
achieved \$95 million in cost savings over 7 years and has deployed SAP to 57 countries.

#### **Background**

*Founded in 1975, Microsoft (MSFT) is a worldwide leader in software, services and solutions that help people and businesses realize their full potential. MSFT has approximately 60,000 employees with an annual revenue of approximately \$40 billion.*

#### **Challenges**

*Microsoft has evolved as a company through global expansion, acquisition and evolving its business model with its latest release of Xbox, expanding its business offering into the Home Entertainment industry. With growing complexity in its disparate business and technology infrastructure, Y2K, silo processes, rising costs, and scalability, MSFT turned to an enterprise resource planning (ERP) solution to address its business challenges.*

#### **Resolution and Benefits**

*MSFT leveraged SAP to unify business processes onto a global system to operate their business. Three key overarching themes to their success:*

- 1) **Simplify** – standardize business processes, and establish a single global instance of SAP*
- 2) **Sponsorship** – implementation spearheaded with strong executive leadership and business commitment – “business-owned implementation”. Change management integral component – addressed change management upfront and throughout the implementation*
- 3) **Extend and Empower** – MSFT extended their ERP solution to include web-based solutions which facilitated empowering their company by automating overhead processes, linking key trading partners and employees, and leveraging technology*